P 100450Z DEC 07
FM AMEMBASSY CANBERRA
TO SECSTATE WASHDC PRIORITY 8697
INFO AMEMBASSY BEIJING PRIORITY
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E.O. 12958: DECL: 12/10/2017 TAGS: <u>AF AS CH IR IZ NZ PREL</u>

SUBJECT: MEETING THE PRIME MINISTER

Classified By: DEPUTY CHIEF OF MISSION DANIEL CLUNE. REASON: 1.4 (D)

- 11. (C/NF) Summary: At a December 8 meeting with Prime Minister Kevin Rudd, the Ambassador offered his congratulations and noted the positive tone set by the recent meetings of Under Secretary of State Nicholas Burns with the Foreign and Defense Ministers and the Deputy Prime Minister. The Ambassador said that these meetings were a good start to the consultations on the way forward on Iraq. The Ambassador said he hoped that Australia, while not selling uranium to India, would be able to join other members of the Nuclear Suppliers Group (NSG) in supporting the cooperative arrangement with New Delhi. Referring to the Prime Minister's recent signing of the Kyoto Accord, the Ambassador said that this should not diminish post-Kyoto cooperation on climate change.
- (C/NF) Rudd told the Ambassador that no relationship is more important to Australia than its alliance with the United States. He said that the withdrawal of combat elements from Iraq will not be the end of be Australia's commitment to Iraq. He intends to visit Iraq and Afghanistan soon to meet with those countries' leaders. Defense Minister Joel Fitzgibbon will deliver a "robust" message at the Edinburgh Afghanistan conference underlining Australia's strong, long-term commitment in Afghanistan. Rudd noted that a bilateral meeting between Fitzgibbon and Secretary Gates on the margins of the conference would be very useful. On the NSG question, Rudd said he understood the Administration's goal and promised to get back to us, "earlier rather than later." Rudd said that he believes India and China should be "brought into the game" on climate change and stressed that it will not be his intention "to give the U.S. grief" over the climate issue. Referring to his previous career as a diplomat in Beijing, Rudd said that he will not be "starry-eyed" in his dealings with China. Turning to Iran, Rudd said he wants to work closely with the United States and described Ahmedinejad as "loathesome." End summary.

## U.S. RELATIONSHIP IS "CORE BUSINESS"

13. (C/NF) In response to a request by the Ambassador for a meeting shortly after the recent election, Prime Minister Rudd invited him to his home in Brisbane on December 8. A casually-dressed Rudd greeted the Ambassador (accompanied by DCM and Polcouns) and after introducing his two teenage sons, conducted the meeting in his family room. His personal assistant took notes. After accepting the Ambassador's congratulations on his victory, Rudd also expressed appreciation for the President's congratulatory telephone call after the election. Noting that the Ambassador was the first foreign envoy he met with (adding

that New Zealand Prime Minister Helen Clark was flying to Brisbane the next day to meet with him), Rudd emphasized that there was no relationship more important to Australia than its alliance with the United States. The U.S. relationship, he explained, was "core business" to him.

## RUDD TO VISIT IRAQ AND AFGHANISTAN

¶4. (C) Referring to the visit of Under Secretary Nicholas Burns earlier in the week, the Ambassador described his QBurns earlier in the week, the Ambassador described his Meetings with Rudd's Deputy Prime Minister, Foreign Minister and Defense Minister as a good start to the consultative process for Australia's withdrawal of combat troops in Iraq. Rudd assured that the withdrawal will not mean the end of Australia's commitment to Iraq. "We are leaving other (security, training, air and naval) stuff there," Rudd noted. He wants the withdrawal to cause "minimum grief" to the U.S. and is flexible on the timing of the "mid-year" withdrawal. He agreed that the optics of how the transition is managed is important and that "we will not pull a Zapatero on you." In fact, Rudd said, he plans to visit both Iraq and Afghanistan soon to meet with the leaders of those countries. His National Security Cabinet will conduct an extensive review on Iraq in the coming months and explore other ways of providing assistance to the country.

### STRONG RESOLVE ON AFGHANISTAN

15. (C) The Prime Minister said that he is giving "robust" guidance to Defense Minister Fitzgibbon on the stance he

should take in Edinburgh at the International Security Assistance Force (ISAF) Regional Command South Ministerial conference on Afghanistan on December 13. According to the PM, Fitzgibbon will strongly state that "Australia is in Afghanistan for the long haul" and that "We,re mindful of how difficult it is but are rock solid." He thought such comments would be helpful in light of the reticence of certain European countries to continue their commitments to Afghanistan. Rudd said that it would be useful for Fitzgibbon to meet bilaterally with Secretary Gates in Edinburgh. INDIA AND THE NUCLEAR SUPPLIERS GROUP

- 16. (C) The Ambassador said he hoped that Australia, while not selling uranium to India, would be able to join other members of the Nuclear Suppliers Group (NSG) in supporting the cooperative arrangement with New Delhi. Rudd said he "was very mindful of the complexities" and understood full well the importance that the Administration attached to the arrangement. He promised to get back to us, "seeking to bring clarity earlier rather than later."

  BALI CLIMATE CHANGE CONFERENCE
- The Prime Minister's signing of the Kyoto Accord has not diminished the scope for U.S.-Australia cooperation in the post-Kyoto period, the Ambassador stated. The Ambassador noted that Council on Environmental Quality Chairman James Connaughton and Under Secretary of State for Democracy and Global Affairs Paula Dobriansky, among others, were attending the UN Framework Convention on Climate Change in Bali. He also noted that he had been in touch earlier in the week with Environment Minister Peter Garrett and Minister for Climate Change and Water Penny Wong to discuss the conference. Rudd, who was scheduled to leave for Indonesia on December 11, said that he realized that the Bali meeting was to elaborate a process and not to be prescriptive. He emphasized that the Australian approach would be "rational and cautious" and he had "no intention to give the U.S. public grief over the issue." Rudd said that India and China must be "brought into the game" on emissions. Rudd had spoken with Chinese Premier Wen Jiabao on the telephone recently and that Wen had seen "less defensive" on the issue when Rudd stressed the importance of China's role. Rudd said it was important to bridge the gap between developed and undeveloped countries.

¶8. (C) Rudd observed that, although a number of people have concluded that because he speaks Chinese and served as a diplomat in China he will be a soft touch with Beijing, he is "not starry-eyed towards China." Describing himself as a realist, Rudd recognized the need to make China a responsible international stakeholder. Rudd said that he does not underestimate the complexity of the Chinese situation and wants to "get inside the heads of their senior leadership on their long-term plans". He will devote a considerable amount of time thinking through the government,s strategy for dealing with China over the next quarter century, Rudd said. He added that he wanted a side dialogue with the United States on "what would be useful in the future".

### IRAN

19. (C) Rudd inquired about the recent NIE estimate. The Q9. (C) Rudd inquired about the recent NIE estimate. The Ambassador explained that the cessation of Iran,s nuclear weapons program doesn,t mean that its continuing enrichment and ballistic missile programs do not pose a threat. The Prime Minister said that the U.S. and Australia must keep in close contact and share the best intelligence possible on Iranian capailities and intentions. Rudd described Ahmedinejad as a "loathsome individual on every level" and said that the Iranian President's anti-semitism "turns my stomach." He noted that he knew enough about the complexities of Iranian politics to understand that it was critical to ensure that any action we take must serve to weaken Ahmedinejad, rather than entrench him.

#### AUSMIN

110. After the Ambassador briefed him on the possible dates, Rudd said that he wanted to attend the meetings himself and that the sooner they were held the better. Canberra would be

a more convenient venue than Perth, he said, and suggested that the meetings be held during a Parliamentary sitting week.

## ANNAPOLIS AND PARIS DONORS CONFERENCE

111. Discussion reported septel.

# COMMENT

112. (C) The Prime Minister took pains to emphasize the importance of Australia's alliance with the U.S. and his desire to carefully manage the relationship, especially in areas where to two governments' policies diverge. His hesitancy to provide immediate replies on the the Paris Conference and the India/NSG case is likely the result of DFAT working to come up to speed on briefing the PM as his new government settles in. The welcoming and informal nature of the meeting suggests that the new Prime Minister wants to maintain an umimpeded and open dialogue with Washington.